Putting the New Bedford City Council's 44% Pay Raise in Perspective





by Michael Silvia

On March 13th, Councilors Rebeiro and Carney posted a motion to the city council to repeal the 44% pay raise that the City Council voted for two years earlier. It caused some major friction in the City Council chambers as the other nine city councilors verbally beat up the two newly elected councilors.

To put the pay raise in perspective it was a bump to from \$14,600 to \$21,000 or a \$6,400 annual increase. That translates into \$533.33 per month or \$133 a week. It's

politically advantageous to say 44% compared to a \$6,400 annual increase.

Apparently, only the city council can give themselves a pay raise and probably the reason they haven't had a pay raise since 1995. Can voting yourself a pay raise every be popular in politics? That's 17 years without a pay raise. I'm not a mathematician or an accountant, but let's examine the pay raise numbers using a compounded annual growth calculator. The growth from \$14,600 to \$21,000 over 17 years comes out to a compounded annual growth of 2.58%. You can see my work here.

Is it unreasonable to give a city councilor a 2.58% annual pay raise? I did a quick Google search and grabbed the first article that looked valid. According to **the article:** "From 2000 to 2008, the average pay increase was between 3.8 percent and 4.4 percent. Fast forward to the years from 2009 to 2011, and the median pay increase dropped to hover around 3 percent." The article goes on to say 1.9%-3.5% is the most recent going rate.

Take away the political rhetoric of the 44% number and look at the pay raise without emotion and the raise seems more than fair. You can argue that the pay raise was bad timing, but you can't argue that the raise was high when looking at it on an annual basis compared to the private sector.